

<b>Name of policy:</b>	<b>Rates – Supplementary Levies &amp; Other Adjustments</b>		
<b>Adoption by Council:</b>	<b>22 March 2023</b>	<b>Minute number:</b>	<b>99/2023</b>
<b>Last review date:</b>	<b>November 2022</b>		
<b>Review timeframe:</b>	<b>2 Years</b>		
<b>Next scheduled review date:</b>	<b>December 2024</b>		
<b>Related legislation:</b>	<b>Local Government Act 1993</b> <b>Local Government (General) Regulation 2021</b> <b>Valuation of Land Act 1916</b>		
<b>Associated policies/documents:</b>	<b>Nil</b>		
<b>Responsible division:</b>	<b>Corporate Services</b>		

## Policy objective

This policy provides guidance to the General Manager and staff in applying the provisions of the Local Government Act 1993 for the correct levying of rates and charges subject to supplementary valuations and other changes.

## Policy statement

Council will manage the levying of rates and in accordance with the requirements of Chapter 15 of the Local Government Act 1993 and Part 5 of the Local Government (General) Regulation 2021.

## Coverage of the policy

This policy applies to staff who are responsible for levying rates and charges in accordance with the Local Government Act and Regulation.

## Strategic Plan link

This Policy supports the Community Strategic Plan Objective 4.2 – *Council demonstrates good governance and financial management to ensure decisions and transactions are ethical, efficient, safe and fair* and Strategy 4.2.1 *Use governance frameworks and processes to guide our decisions and to ensure that council is accountable to the community.*

## Policy content

Throughout the rating year Council will receive notification from external organisations of changes to the status of rateable properties. These changes may include:

- Valuation changes through appeals
- Valuation changes arising from property subdivision, sale etc

- Valuation changes arising from changes in zoning
- Valuation changes arising from usage apportionments e.g. Conservation Agreements, mixed development usage etc
- Changes to rateability status arising from purchase / sale of land.

These changes will trigger adjustments and the levying and service of new or amended rate notices. The following sets out how Council will treat these instances.

#### Receipt of New Valuation following Registration of New Deposited Plan or Strata Plan

Council will process both the cancellation of the valuation of the original lot and the issue of valuations for the new lots.

Rates and charges will be adjusted on a daily pro-rata basis from the date of registration of the new plan. This includes both ad valorem components and base amounts.

In the case of a new strata plan, the value of the parent property is to be apportioned across all newly created strata lots based on their unit entitlement.

#### Valuer General Amendments

From time to time, the Valuer General's Office will issue amended values for pre-existing assessments regardless of whether a sub-division has occurred.

If the event prompting the change is previously known to Council, or if Council has requested the new value, rates (both the ad valorem component and the base amount) will be adjusted from the date of the request or from the date the valuation was made (whichever is earlier).

If the value has been amended as a result of an objection or a re-ascertainment of values by the Valuer General's Office, Council will be required to re-levy rates (both the ad valorem component and the base amount) from the rating year when the original value was first applicable. Council will only adjust for rating years that are subject to the current existing general valuation.

Any loss of income suffered by Council may be claimed through the annual Statement of Compliance process.

#### Valuation Changes arising from a Change in Zoning

Occasionally the zoning of a property may be changed between the issue of each General Revaluation by the Valuer General's Office.

In these instances, it is possible that the value of each individual lot may be affected by the change in zoning.

The Valuer General's Office upon receiving advice of the change in zoning may alter the valuation of each lot and notify Council of such changes on the next available Supplementary List.

Council rates (both the ad valorem component and the base amount) are to be adjusted on a daily pro rata basis from the effective date of the change in zoning.

#### Sale of Lots from Consolidated Holding

Some properties in single ownership may contain more than one lot. One or more of these lots may be sold individually during the year.

In these instances, the Valuer General's Department will cancel the original valuation and supply new valuations for the lots based on current ownership.

Council rates (both the ad valorem component and the base amount) will be adjusted on a daily pro rata basis for both the original holding and each holding after the sale. Rates will be adjusted from the date of settlement of the transfer of land.

#### Categorisation Changes

Where a ratepayer requests a review of their Rating category in accordance with Section 525 of the Local Government Act, and the application is approved, any adjustments to the ratepayer's assessment will be affected in accordance with the date of the declaration of the change.

Where Council reviews a category in accordance with section 523 of the Local Government Act, and as a result of the review a category change occurs, any adjustment to the ratepayer's assessment will be affected in accordance with the date of the declaration of the change.

#### Changes to Rateability Status of Land

Sections 555 to 559 of the Local Government Act address what land is rateable or exempt from rating. Council may receive notification of the change of ownership of land that triggers a change in rateability status or receive an application from a property owner seeking an exemption from rates and charges.

Council will determine the application in accordance with the Act and any adjustments to rateability and amounts payable will be processed from the date of the application, date of transfer of ownership or date of change in approved usage of the property.

#### Levies Affecting Previous Financial Years

Where it becomes known that rates and/or charges have not been levied correctly, Council will apply adjustments for the current and previous year only.

#### **References and related documents**

NSW Department of Local Government – Council Rating and Revenue Raising Manual - 2007.

#### **Responsible officer (position)**

Manager Finance

#### **Attachments**

Nil